

Message Text

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ACTION EA-09

INFO OCT-01 ISO-00 EB-07 AID-05 /022 W

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R 090240Z MAR 76

FM AMEMBASSY RANGOON

TO USDOC WASHDC

INFO SECSTATE WASHDC 1103

AMEMBASSY BANGKOK

AMCONSUL HONG KONG

AMEMBASSY SINGAPORE

UNCLAS SECTION 1 OF 2 RANGOON 0770

E.O. 11652: N/A

TAGS: BEXP BTIO BAGP BM

SUBJ: EARLY WARNING AND STATUS OF IFI PROJECTS; MAJOR EXPORT
PROJECTS AND AGRI-BUSINESS

REF: (A) RANGOON A-033 (B) RANGOON A-097 (C) RANGOON A-107

(D) RANGOON 3554

SUMMARY: THIS REPORT REVIEWS U.S. SALES TO BURMA UNDER IFI
FINANCED PROJECTS; PROVIDES STATUS INFORMATION ON THE PROJECTS
PRESENTLY BEING IMPLEMENTED; UPDATES DATA ON PLANNED IFI FINANCED
PROJECTS WHICH HAVE PREVIOUSLY BEEN REPORTED; LISTS POSSIBLE FUTURE
IFI PROJECTS IN BURMA NOT PREVIOUSLY REPORTED; AND REPORTS ONE
NON-IFI FUNDED EXPORT OPPORTUNITY. END SUMMARY.

1. DURING THE PAST YEAR (SINCE SUBMISSION REF A, MARCH 4, 1975)
U.S. SUPPLIERS WON CONTRACTS IN BURMA WORTH \$5,283,060 UNDER IBRD/
IDA FINANCED PROJECTS. BREAKDOWN OF THESE CONTRACTS BY GUB AGENCY
AND PROJECT LISTED BELOW:

GUB AGENCY	PROJECT	AMT OF SALE
AGRICULTURAL CORP.	IRRIGATION I (IDA)	\$ 476,112
BURMESE RAILWAYS CORP	RAILWAYS REHABILITATION (IDA)	669,476
INLAND WATER TRANSPORT CORP	INLAND WATER TRANSPORT REHABILITATION (IDA)	226,545
IRRIGATION DEPT	IRRIGATION I (IDA)	1,052,632

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TIMBER CORP	FORESTRY PROJECT (IDA)	2,858,304
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TOTAL \$5,283,060

2. VALUE OF ORDERS PLACED UNDER WORLD BANK FINANCED P
WMZETJKSQCRRV#

ZJYRWHYPAQRXUGGXGSFOEGKLTGX#
, #GNNWVFXMP RRKWUKOPSYWR# WON NEARLY 43
PERCENT OF THIS MARKET. HOWEVER, ADDITIONAL \$12,425,326 WORTH OF
ORDERS PLACED UNDER ADB FINANCED PROJECTS AND AS FAR AS KNOWN U.S.
SUPPLIERS WON NONE OF THESE CONTRACTS. HENCE, U.S. SHARE OF TOTAL
IFI FINANCED PURCHASES IN BURMA DURING PAST YEAR WAS ABOUT 21 PCT.

3. STATUS OF APPROVED IFI FINANCED PROJECT (COMPLETED OR BEING
IMPLEMENTED)

A. PROJECT AND AMOUNT: REHABILITATION OF RAILWAYS \$16.7 MILLION

IFI: IBRD/IDA

IMPLEMENTING AGENCY: BURMA RAILWAYS CORP.

STATUS: FUNDS FOR THIS PROJECT EXHAUSTED (SEE BELOW FOR NEW
LOAN NEGOTIATION).

B. PROJECT AND AMOUNT: REHABILITATION OF INLAND WATER TRANSPORT
\$16.3 MILLION.

IFI: IBRD/IDA

IMPLEMENTING AGENCY: INLAND WATER TRANSPORT CORP.

STATUS: ORDERS FOR MARINE DIESEL UNITS, BY FAR THE MAJOR PORTION
OF PROJECT, TO BE ISSUED EARLY MARCH. OTHER BIDS FOR SUPPLY OF
ASSORTED CONSTRUCTION MATERIAL STILL UNDER CONSIDERATION.

C. PROJECT AND AMOUNT: IRRIGATION I \$17 MILLION

IFI: IBRD/IDA

IMPLEMENTING AGENCY: IRRIGATION DEPARTMENT

STATUS: EARTH MOVING EQUIPMENT, WATER PUMPS, GENERATOR SETS,
REPAIR SHOP EQUIPMENT ALREADY PROCURED. BID INVITATIONS FOR
SUPPLY OF CONSTRUCTION EQUIPMENT EXPECTED IN NEAR FUTURE.

D. PROJECT AND AMOUNT: FORESTRY PROJECT \$24 MILLION

IFI: IBRD/IDA

IMPLEMENTING AGENCY: STATE TIMBER CORP.

STATUS: MOST ORDERS UNDER THIS PROJECT ALREADY PLACED OR BEING
PROCESSED.

E. PROJECT AND AMOUNT: TELECOMMUNICATIONS \$21 MILLION

IFI: IBRD/IDA

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IMPLEMENTING AGENCY: POST AND TELECOMMUNICATIONS CORP.
STATUS: BIDS BEING INVITED FOR TELEPHONE SWITCHING EQUIPMENT,
TELEPHONE CABLES, TOOLS & ACCESSORIES AND MICROWAVE RELAY
SYSTEMS. FURTHER INVITATIONS FOR TROPO SCATTER AND TELEX
EQUIPMENT TO BE MADE NEAR FUTURE.

F. PROJECT AND AMOUNT: LIVESTOCK DEVELOPMENT \$7.5 MILLION

IFI: IBRD/IDA

IMPLEMENTING AGENCY: LIVESTOCK DEVELOPMENT CORP.

STATUS: LOAN RECENTLY APPROVED. PROJECT WHICH STILL IN PLANNING STAGE INCLUDES DEVELOPMENT OF VETERINARY AND LIVESTOCK EXTENSION SERVICE TO COVER ABOUT 375,000 BOVINES; IMPROVEMENT OF 20,000 ACRES OF COMMUNAL PASTURE; CONSTRUCTION OF WATER POINTS IN 50 VILLAGES; CONSTRUCTION OF 10 LIVESTOCK DEVELOPMENT CENTERS; ASSISTANCE FOR SMALL HOLDER DAIRY PRODUCTION; CONSTRUCTION OF TWO MILK PROCESSING PLANTS AND TECHNICAL ASSISTANCE AND TRAINING. BID INVITATIONS FOR ARTIFICIAL INSEMINATION MATERIAL, CONSTRUCTION PROJECTS, POULTRY (CHICKS) MAY BE ISSUED SECOND HALF 1976 OR EARLY 1977.

G. PROJECT AND AMOUNT: POWER TRANSMISSION \$6.1 MILLION PLUS \$6.1 MILLION COST OVERRUN.

IFI: ADB

IMPLEMENTING AGENCY: ELECTRIC POWER CORP.

STATUS: BIDS FOR ONE POWER SUBSTATION RECENTLY INVITED. MOST ORDERS UNDER THIS LOAN ALREADY PLACED AND ALL HAVE GONE TO JAPANESE SUPPLIERS.

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NOTE BY OC/T: # AS RECEIVED.

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H. PROJECT AND AMOUNT: FISHERIES DEVELOPMENT \$9.8 MILLION

IFI: ADB

IMPLEMENTING AGENCY: PEOPLE'S PEARL & FISHERY CORP.

STATUS: INVITATIONS FOR BIDS FOR GILLNETTERS EXPECTED END MARCH 1976. MOST OTHER ORDERS FOR TRAWLERS, FISHING NETS, MARINE DIESEL UNIT, REFRIGERATION COMPLEX AND CONSTRUCTION MATERIALS ALREADY PLACED. ALL ORDERS HAVE GONE TO JAPANESE SUPPLIERS.

I. PROJECT AND AMOUNT: RANGOON WATER SUPPLY \$13 MILLION

IFI: ADB

IMPLEMENTING AGENCY: RANGOON CITY DEVELOPMENT COMMITTEE

STATUS: BEHIND SCHEDULE. CONSULTANT RECENTLY SELECTED. DESIGN OF RESERVOIR AND SPECIFICATIONS FOR EQUIPMENT BEING PREPARED.

BID INVITATIONS FOR EQUIPMENT EXPECTED 3RD QUARTER THIS YEAR.

J. PROJECT AND AMOUNT: RICE PROCESSING \$6.5 MILLION

IFI: ADB

IMPLEMENTING AGENCY: TRADE CORPORATION NO. 1

STATUS: ORDERS PLACED FOR TRACTORS, REPLACEMENT PARTS AND WAREHOUSE CONSTRUCTION MATERIAL. BIDS INVITED FOR RICE BRAN OIL REFINERY PLANT AND RICE BRAN STABILIZING AND DRYING PLANTS.

BID INVITATIONS FOR SILOS NOT YET ISSUED AND NO ESTIMATE AS TO WHEN THEY WILL BE ISSUED.

K. PROJECT AND AMOUNT: JUTE MILL \$25 MILLION

IFI: ADB

IMPLEMENTING AGENCY: TEXTILE INDUSTRIES CORP.

STATUS: PLANS AND SPECIFICATIONS STILL UNDER PREPARATION.

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4. PLANNED PROJECTS PREVIOUSLY REPORTED: EARLY WARNING

A. PROJECT AND AMOUNT: NYAUNGGYAT MULTIPURPOSE DAM \$35 MILLION

IFI: IBRD/IDA

IMPLEMENTING AGENCY: IRRIGATION DEPARTMENT

STATUS: FEASIBILITY STUDY BY ENGINEERING CONSULTANTS, INC. RECENTLY COMPLETED. LOAN AWAITING FINAL APPROVAL BY IBRD.

B. PROJECT AND AMOUNT: IRRAWADDY DELTA LAND RECLAMATION \$17 MILLION.

IFI: IBRD/IDA

IMPLEMENTING AGENCY: IRRIGATION DEPARTMENT

STATUS: IBRD APPRAISAL COMPLETED. LOAN DOCUMENTS NOT YET SIGNED.

C. PROJECT AND AMOUNT: UREA FERTILIZER PLANT

IFI: IBRD/IDA

IMPLEMENTING AGENCY: MINISTRY OF INDUSTRY

STATUS: NO CHANGE SINCE LAST REPORT (REF C).

D. PROJECT AND AMOUNT: SEDAWAGYI MULTIPURPOSE DAM. \$45.9 MILLION

FOR DAM AND IRRIGATION. ADDITIONAL \$18 MILLION FOR HYDRO-ELECTRIC PORTION.

IFI: ADB

IMPLEMENTING AGENCY: IRRIGATION DEPT/ELECTRIC SUPPLY CORP.

STATUS: LOAN NEGOTIATIONS FOR DAM AND IRRIGATION PORTION COMPLETED BUT DOCUMENTS NOT YET SIGNED.

E. PROJECT AND AMOUNT: MINING REHABILITATION UP TO \$15 MILLION

IFI: IBRD/IDA

IMPLEMENTING AGENCY: MYANMA TIN & TUNGSTEN CORP.

STATUS: FEASIBILITY STUDY UNDER REVIEW.

5. POTENTIAL IFI PROJECTS NOT PREVIOUSLY REPORTED: EARLY WARNING

- A. PROJECT AND AMOUNT: SEEDS AND RESEARCH-EXPANSION AND IMPROVEMENT OF SEED MULTIPLICATION AND DISTRIBUTION SYSTEM. ABOUT \$5 MILLION
IFI: IBRD/IDA
IMPLEMENTING AGENCY: MINISTRY OF AGRICULTURE & FORESTS
STATUS: LOAN EXPECTED IN 1977.
- B. PROJECT AND AMOUNT: REHABILITATION OF RAILWAYS, 2ND LOAN, INCLUDES PROCUREMENT OF RAILROAD REPAIR AND CONSTRUCTION EQUIPMENT. ABOUT \$20 MILLION.
IFI: IBRD/IDA
IMPLEMENTING AGENCY: RAILWAYS CORP.
STATUS: LOAN NEGOTIATIONS UNDERWAY.
- C. PROJECT AND AMOUNT: SUGAR INDUSTRY. INCLUDES IRRIGATION FOR UNCLASSIFIED

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- SUGARCANE AND EXPANSION OR CONSTRUCTION OF NEW MILL AT PYINMANA. \$340,000 FOR TECHNICAL ASSISTANCE. LOAN OF ABOUT \$20-25 MILLION.
IFI: ADB
IMPLEMENTING AGENCY: MINISTRY OF INDUSTRY/MINISTRY OF AGRICULTURE AND FORESTS.
STATUS: CONSULTATIONS FOR TECHNICAL ASSISTANCE TO BEGIN MARCH 1976. LOAN SCHEDULED FOR EARLY 1977.
- D. PROJECT AND AMOUNT: FOREST INDUSTRIES. IMPROVEMENT OF TIMBER EXTRACTION AND TRANSPORT OPERATIONS AND REHABILITATION OF SAW MILLING FACILITIES. \$10 TO 15 MILLION.
IFI: ADB
IMPLEMENTING AGENCY: MINISTRY OF AGRICULTURE AND FORESTS.
STATUS: REPORT FROM CONSULTANTS SUBMITTED; APPRAISAL MISSION SCHEDULED FOR MAY OR JUNE 1976 AND LOAN SCHEDULED BEFORE END 1976.
- E. PROJECT AND AMOUNT: SECOND FISHERIES DEVELOPMENT. INCLUDES TRAWLERS AND REFRIGERATION. ABOUT \$20 MILLION.
IFI: ADB
IMPLEMENTING AGENCY: PEOPLE'S PEARL & FISHERY CORP.
STATUS: LOAN SCHEDULED FOR 1977 OR 1978.
- F. PROJECT AND AMOUNT: PIGS AND POULTRY. INCLUDES CONSTRUCTION OF SLAUGHTERING FACILITIES. ABOUT \$10 MILLION.
IFI: ADB
IMPLEMENTING AGENCY: MINISTRY OF AGRICULTURE AND FORESTS.
STATUS: LOAN SCHEDULED FOR 1978.
- G. PROJECT AND AMOUNT: HANTHAWADDY LAND RECLAMATION, CONSTRUCTION OF EMBANKMENTS, ETC. ABOUT \$15 MILLION.
IFI: ADB
IMPLEMENTING AGENCY: IRRIGATION DEPT.
STATUS: LOAN SCHEDULED FOR 1978.

6. NON IFI-FUNDED EXPORT OPPORTUNITY
MYANMA OIL CORPORATION (MOC) INTERESTED IN OBTAINING OIL DRILLING RIGS. MOC'S PRESENT NEEDS ARE FOR ONE DEEP DRILLING RIG (18,000 - 20,000 FT.) ESTIMATED COST \$3 MILLION AND FOUR MEDIUM DRILLING RIGS (12,000 FT.) ESTIMATED COST \$2 MILLION EACH. MOC DRILLING

ENGINEERS AND TECHNICIANS HAVE EXPRESSED PREFERENCE FOR U.S. RIGS.
MOC MAY PLACE ORDER FOR PART OR ALL OF THESE NEEDS WITHIN COMING
YEAR. MUCH WILL DEPEND ON MOC'S BUDGET ALLOCATION AND TERMS OF
FINANCING. EXIMBANK FINANCING OR GUARANTEE MAY BE REQUESTED.

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Message Attributes

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Type: TE
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